

PART VII

Farm Marketing and Level of Living

Location for Marketing

With the exception of a few northern mountain localities, Spokane County farms are favorably located as to markets. They are near major transcontinental highways and railroads for national and regional marketing. Within a short motor-truck haul is the third largest urban marketing area of the state--Spokane and its suburbs with 221,000 people. Farm marketing is mostly oriented toward Spokane, commercial and transportation center of a vast interior area of Washington and Idaho. Wholesalers, distributors, processors and brokers for the agricultural commodities produced in northeastern Washington are concentrated in this city.

Transportation

Facilities for rapid and year-round movement of farm products are excellent. Most dairy products, live animals and perishable crops are moved by truck trailers and vans to processing and distribution centers at Cheney and Spokane. Less perishable grains and hay are moved by both truck and rail to terminal storage centers and distributing points.

Railroad facilities are exceptionally good due to the focus of transcontinental and branch lines at Spokane in the center of the county. The upper Spokane River Valley is a major lowland passageway breaching the Coeur d'Alene Range of the Rocky Mountain system. It provides a route for three transcontinental railways which converge at Spokane. The lines also pass diagonally southeastward through the Cheney district enroute to Puget Sound and the Lower Columbia River area at Portland. The Great Northern, Northern Pacific, Chicago, Milwaukee, St. Paul and Pacific, and Seattle, Portland and Spokane Railways serve the county.

From the central yards in Spokane city, branchlines of these major railroads serve the rural areas. Bulky tonnages of grain, hay and timber induced a large amount of railroad branch construction in the early 1900's which benefits the present day farmer. Railroad sidings for receiving farm products, and rail-side elevators for loading grain are common along the branch lines. In the Palouse Hills of the Latah Creek Valley the truck hauls to railroads are much shorter than in many other wheat and grain regions of America. Farms in the upper Little Spokane Valley also enjoy the advantage of railroad service for hay, livestock and farm forest products. About 75 percent of the entire county area is within ten miles of a railroad.

An excellent network of federal, state and county roads permits year-round movement of farm products to marketing points and centers. Four major highway arterials converge at Spokane. U.S. Highways 2 and 10 cross the state and give good access for the Spokane area to the Puget Sound market. Highways 195 and 395 lead to the Columbia River and Portland, Oregon market area. In 1954, Spokane County had the largest road mileage of any Washington county. There were a total of 2,570 miles, of which 613 were hard surfaced, 1,389 gravelled

and 569 dirt roads ^{1/}. With the exception of the mountainous area north and east of Spokane, every township and land section was accessible by vehicle.

Marketing Crops

The largest marketing activity in Spokane County is devoted to the handling and storage of grain, legumes and hay. Six licensed grain terminal houses are operated in the City of Spokane by two large milling companies and a grain trading company with a total storage capacity of 3,125,000 bushels ^{2/}. A large part of Spokane wheat and barley moves in bulk to these terminal houses for regional distribution and processing in Spokane and Cheney flour mills.

Total Value of Farm Products Sold in 1954: \$22,307,056

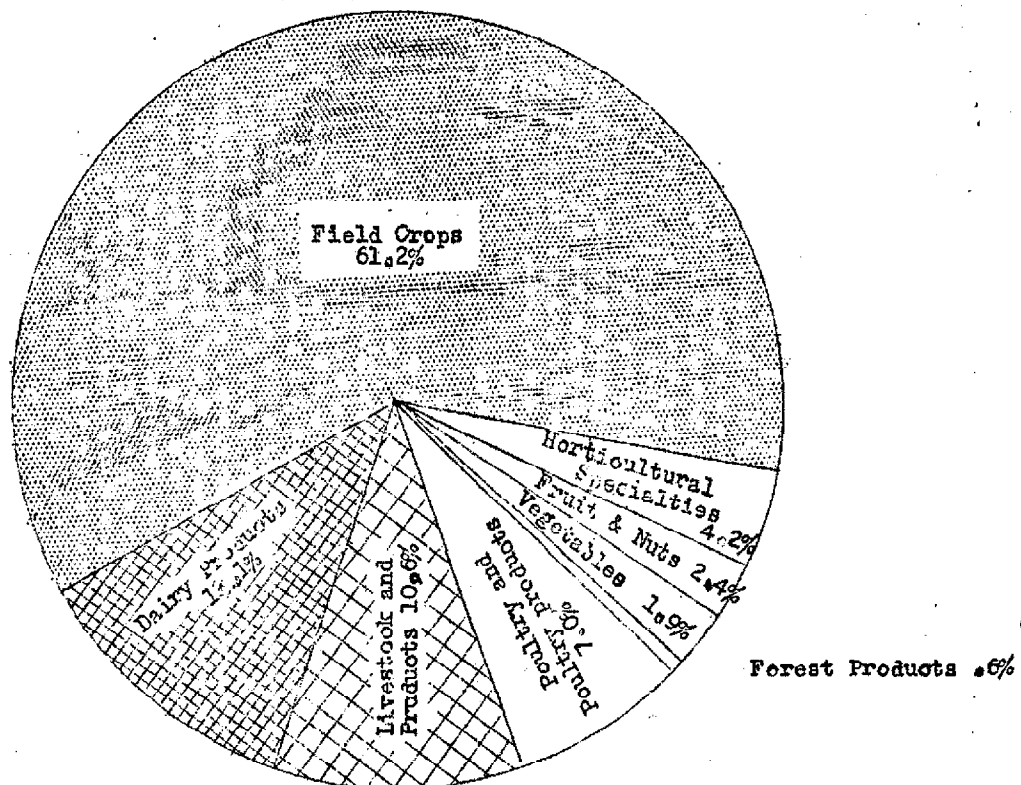


Figure 12.- Sources of Cash Income, Spokane County Farms, 1954.

Source: U. S. Census, Agriculture, 1954.

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- 1/ County Gasoline Tax Allocation Study, Wash. State Council For Highway Research. Report published in 1954, Olympia, Wash.
 - 2/ Public Grain Warehouses Licensed in Washington, Wash. State Dept. of Agric., Olympia, Washington. Sept 1, 1956 (mimeographed).

Licensed country warehouses and granaries for storage of grains and peas have a total capacity of 5,890,166 bushels. Communities with elevators and warehouses with total capacities of more than 400,000 bushels include Fairfield, Cheney, Latah, Rockford and Hite. Localities with capacities exceeding 50,000 bushels are Valleyford, Medical Lake, Rodna, Waverley, Spangle, West Fairfield, Espanola, Mead, Freeman, Mount Hope, Spring Valley and Dishman. Grains and peas are assembled at these localities for bulk shipment by rail to the terminals. Most Spokane County grain ends in the terminal houses at Spokane or on the coast in Portland, Longview, Seattle and Tacoma.

Vegetables and fruits are primarily moved to the wholesale, retail and processing market in the Spokane urban area including Greenacres. One cannery, eight specialty food processors and two frozen food processors are located in the urban area. Spokane and Cheney processors turn out a large volume of flour, pastry flours, cereals, poultry and livestock feeds and vinegar, acquiring raw materials from the immediate area and other eastern Washington counties. Spokane is also the location of three fruit and vegetable brokerage companies and eighteen fruit and vegetable wholesale companies. The Spokane Vegetable Growers Association located in Spokane holds an important position in the pattern of vegetable marketing.

Horticultural specialties such as flowers, shrubbery and vegetable plants have a good Spokane market where there are three wholesale florist companies and over fifty retail outlets.

In 1954, growers of commercial crops realized a total gross return of \$15,549,704 for products sold in the Spokane and regional market. The field crops led with \$13,649,720 worth of grains, alfalfa, peas, seeds and potatoes accounting for over 61 percent of all farm sales.

Table 26.- Crops Marketed From Spokane County Farms, 1954.

Type of Crop Sold	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Field Crops (wheat, oats, barley, alfalfa, dry peas, seed peas, hay seeds, potatoes and lentils)	\$13,649,720	87.8
Horticultural Specialties (cut flowers, plants, bulbs, shrubs, trees, seeds)	927,875	5.9
Fruits and Berries (apples, cherries, strawberries, raspberries, etc.)	541,703	3.5
Vegetables (sweet corn, tomatoes, cabbage, carrots, lettuce, cucumbers, etc.)	430,406	2.8
Total amount received by farmers for cash crops	\$15,549,704	100.0

Source: U.S. Census, Agriculture.

Marketing Livestock and Dairy Products

Livestock and dairy products are secondary to crops in the county's economy. Spokane is one of the major livestock marketing centers of the Pacific Northwest for animals sold alive for regional distribution as well as for packing in the immediate area. Livestock from the entire Inland Empire are concentrated here for auction or processing. A large Union Stockyard is located in Spokane, operated jointly by six auction and commission companies. There are four federally-inspected and one state-inspected slaughter houses in Spokane. Two national packing companies have plants here, and all meat packing firms number eight. Elsewhere in the county there are state licensed community livestock sales yards in Cheney and Deer Park. Spokane County livestock men sold about \$2,365,000 worth of livestock in 1954 on the hoof at Spokane, Cheney, Deer Park and directly from farms to buyers.

Table 27.- Livestock and Livestock Products Marketed
Spokane County, 1954.

Class of Livestock Products Sold	Quantity Marketed	Amount Received By Farmers
<u>Dairy Products</u>		
Whole milk-----	56,155,453 lbs.	\$2,515,161
Butterfat-----	351,244 lbs.	174,526
Total all dairy products		\$2,689,687
<u>Poultry and poultry products</u>		
Chickens-----	475,437 birds	\$ 373,471
Eggs-----	2,497,201 dozen	1,069,404
Turkeys, ducks, geese----		119,295
Total all poultry & poultry products		\$1,562,170
<u>Animals sold alive</u>		
Cattle-----	10,708 head	\$1,475,812
Calves-----	8,445 head	411,661
Hogs and pigs-----	12,736 head	439,788
Sheep and lambs-----	1,347 head	23,613
Horses and mules-----	164 head	14,032
Total all animals sold alive		\$2,364,906
<u>Other livestock and livestock products sold</u> -----		\$ 5,788
Total amount received for livestock and livestock products-----		\$6,622,551

Source: U.S. Census, Agriculture.

Spokane is also the most important poultry marketing area in eastern Washington. There are eleven poultry and egg wholesalers in Spokane and several freezing and packing companies. The major state poultry cooperative, the Washington Co-operative Farmers Association, operates an egg handling plant in Spokane. In 1954, Spokane poultry raisers marketed \$1,562,170 worth of products.

Dairy products give the largest gross cash return. In 1954 Spokane County dairymen grossed \$2,689,687, about one-eighth of the county total gross paid to

farmers for their products. Their industry ranks eighth among Washington counties and is exceeded only slightly by Pierce County. Whole milk for the fluid market in Spokane and other cities is the major dairy product. The county area has about 380 grade A milk producers selling to the Spokane market. The fluid milk market in the Spokane metropolitan area includes nine dairy products plants who in 1954 purchased 131,939,805 pounds of milk from the surrounding milkshed. The Spokane milkshed includes 13 Inland Empire counties in northeast Washington, northern Idaho and northwest Montana. Spokane County has the largest number of milk producers and markets more milk than the other counties in this milkshed. Their market includes Spokane and the new Columbia Basin cities such as Quincy, Ephrata and Moses Lake. Spokane dairymen enjoy the lowest hauling costs for their milk to the city--ranging from 20 to 45 cents per hundredweight compared to 35 to 97 cents in northern Idaho counties.

Marketing Farm Forest Products

Many Spokane County farms in the northern valleys and foothills have pine forest woodlands. Some of these stands are second growth pine, larch and fir which have grown to commercial size since originally logged at the turn of the century. Farm woodlot owners have found a growing market for small logs in the wood products industries at Deer Park and in Spokane. In 1954 the Census enumerated 129 farms selling forest products worth a total of \$134,801.

Table 28.- Forest Products on Farms, Spokane County, 1954.

Type of Product	Farms Reporting	
Firewood and fuelwood cut-----	643	6,355 cords
Fence posts cut-----	237	35,139 posts
Sawlogs and veneer logs cut-----	141	6,601 M bd. ft.
Pulpwood cut-----	14	1,619 cords
Total value of farm forest products sold and used on the farm-----	129	\$134,801

Source: U.S. Census, Agriculture.

Agricultural Income Compared to Other Income Sources

Although Spokane is an important agricultural county, net income or the operating profits received by farmers for their products accounts for only about 2 percent of the total personal income received by the county's residents. A recent study of incomes in Spokane County found that the total net farm income ranged from \$5,404,000 in 1951 to a high of \$8,222,000 in 1952.

Specified Farm Expenditures

Spokane County agriculture pays out nearly \$2,000,000 annually in wages and represents a market for about \$5,000,000 worth of materials and supplies each crop year. In the 1954 Census of Agriculture, farmers reported expenditures related to their farm operations. A total of \$7,111,447 was spent during that year for feed, hired labor, motor fuel, fertilizer and other items.

Table 29.- Types and Sources of Income 1950-1952, Spokane County 1/

Type and Source of Income	Net Income in Dollars By Years (In thousands of Dollars)			Percentage of County Income by Years		
	1950	1951	1952	1950	1951	1952
Agriculture	\$ 7,572,000	\$ 5,404,000	\$ 8,222,000	2.2	1.5	2.1
Construction	22,526,000	31,611,000	31,113,000	6.5	8.4	7.8
Government	36,393,000	43,477,000	47,441,000	10.5	11.6	11.9
Manufacturing	47,847,000	54,554,000	60,568,000	13.9	14.5	15.2
Service	36,765,000	41,470,000	42,741,000	10.7	11.0	10.7
Transportation						
Communication and Utilities	36,619,000	40,711,000	43,630,000	10.6	10.8	11.0
Trade	76,050,000	81,618,000	84,248,000	22.0	21.7	21.2
Miscellaneous	15,868,000	16,282,000	16,862,000	4.6	4.3	4.2
Property Income	33,537,000	35,539,000	36,825,000	9.7	9.4	9.3
Other Income	32,134,000	25,514,000	26,329,000	9.3	6.8	6.6
Total	\$345,311,000	\$376,180,000	\$397,979,000	100.0	100.0	100.0

1/ John A. Guthrie and Stanley E. Boyle, County Income Payments in Washington, 1950-1952. Pullman, Wash. Washington State College, Bulletin No. 26.

Livestock and poultry farms have the highest costs and spend the largest portion of the total for supplies. Hay and feed are the largest items purchased. Outlays for hired labor are second. Over \$1,200 per farm as an average was spent by 1,400 operators for labor in the 1954 crop year. The high degree of mechanization in wheat farming has created a large market for petroleum products, amounting to about \$1,208,500 in 1954. Owners of farm machinery also collected nearly \$459,000 during 1954 for the hire of their equipment.

Table 30.- Specified Farm Expenditures in 1954, Spokane County

Type of Expenditure	Number of Farms Reporting	Expenditure of All Farms	Average Per Farm
Machine hire.....	1,694	\$ 458,894	\$ 270.89
Hired labor.....	1,401	1,707,401	1,218.70
Feed for livestock and poultry	2,936	3,127,943	1,065.37
Gasoline, petroleum fuel & oil	2,681	1,208,494	450.76
Commercial fertilizer.....	1,143	608,715	532.56
Lime and liming materials.....	--	--	--
Total expended		\$7,111,447	

Source: U.S. Census, Agriculture.

An important part of the business economy of Spokane County is providing services and supplies to farmers. The southern Spokane County towns--Rockford, Fairfield, Spangle and Cheney--are highly dependent on the productivity and purchasing power of the farm operators. Agriculture is a basic industry producing crops and products which create considerable employment in the transportation, storage and processing industries.

Level of Living on Spokane Farms

In many regions of America farm people have not enjoyed as high a level of living as city people. Farm incomes are lower on the average than urban incomes. The isolated or scattered location of many farms makes such conveniences as electricity, telephones, hot and cold running water less readily available. This is the situation generally found in agricultural areas throughout the United States.

The farm population in Washington State and Spokane County compares favorably with other population groups in living standards. The index of level of living based on the prevalence of electricity, telephones, automobiles, etc., and sales made from farms shows that this is true. An index of 100 is equal to the average index of all the counties in the United States in 1945 based on a scale or standard of living.

The index of the United States farm-family level-of-living was 122 in 1950, compared to 100 in 1945. The State of Washington was considerably above the average for the U.S. in 1950 with an index of 154, and ranked eleventh among the 48 states. The farm-operator-family level-of-living index of 152 for Spokane County was thirty points above the national average and only two points below the state level.

Table 31.- Indices of Level of Living of Spokane County Farm Families, 1950 Compared with State and National Averages.

Index Items	Percentage of total farm families with listed index items		
	United States	Washington	Spokane County
Farm Family Level-of-Living	122	154	152
Median Income per Family	\$1,567	\$2,380	\$2,380
Electricity	78.3	92.5	94.8
Electric Hot Water Heater	17.4	49.1	51.1
Electric Washing Machine	58.7	85.4	87.9
Home Freezers	12.1	14.5	13.7
Mech. Refrigerators	62.7	77.4	81.4
Telephone	38.2	57.5	63.6
Hot and Cold Water Plumbing	23.8	70.4	68.6
Central Heating	18.1	17.8	22.2
Houses with More than One Person per Room	22.3	15.7	13.5
Automobiles	63.0	77.6	77.1
Travel 10 Miles or More to Trading Center	21.4	20.6	31.7

Source: Walter L. Slocum and Carol L. Stone, The Farm People of Washington at Mid-Century.

The median income per farm family for Spokane County is equal to the state average but far above the income for the nation's farmers. With regard to conveniences Spokane County farms are above both state and national averages in use of electrical appliances and plumbing. Housing conditions also were better. At mid-century, Spokane agriculture had progressed to a point where farm families as a whole were enjoying a good livelihood, compared to both the urban and farm homes of America.

As history and statistics presented in these pages have shown, Spokane County agriculture is a record of progress by its industrious people. In less than a century those who have chosen to live on the soil have made it an important American farming county. Its numerous grain, poultry, livestock and vegetable farms add much to the economic well-being of the area. Each farm stands as a living monument to the spirit of enterprise and progress and religious faith of each individual agriculturist who has made his home in Spokane County.